

H.R. 2776, the Renewable Energy and Energy Conservation Tax Act Fact Sheet

What this bill does:

- \$3.6 billion in energy conservation bonds, which could be issued by state and local governments to fund conservation projects and would provide holders with a tax credit; COST: \$1.46 billion over 10 years;
- \$2.4 billion in residential energy-efficiency tax-credit bonds, the proceeds of which would be used to make grants or low-interest loans to support the installation of energy-efficient property in residences; COST: \$903 million over 10 years;
- Authorizes \$2 billion in new clean renewable energy bonds for power providers and electricity cooperatives to finance renewable energy facilities; COST: \$550 million over 10 years;
- Extends for four years the renewable energy production tax credit for producing electricity from certain renewable sources, including wind, geothermal energy, small irrigation power, municipal solid waste, hydropower and biomass; COST: \$6.6 billion over 10 years;
- Extends for eight years a 30 percent tax credit for investment in solar energy and fuel-cell, and allows public utilities to claim the credit; COST: \$563 million over 10 years;
- Creates a new tax credit for plug-in hybrid vehicles that would be capped at 60,000 vehicles per manufacturer; COST: \$1.2 billion over 10 years;
- Extends for five years, through 2013, the deduction for energy-efficient properties at commercial buildings; COST: \$901 million over 10 years;
- Extends various tax credits for producing biodiesel and renewable diesel; COST: \$279 million over 10 years;

- Allows certain fringe benefits provided by businesses to employees who commute to work by bicycle to be exempt from the employee's gross income, and thus not subject to income tax; COST: \$10 million over 10 years;
- Extends through 2010, and increases the amount of, a credit for the installation of alternative fuel pumps, such as E-85 pumps; COST: \$184 million over 10 years;
- Extends through 2010 the credit for the production of certain energy-efficient appliances; COST: \$351 million through FY 2017;
- Provides a five-year recovery period for smart energy meters, COST: \$1.3 billion over 10 years;
- Restructures tax incentives for New York City, including the creation of tax credits against income tax withholding payments made by governments in New York for certain transportation projects; COST: \$1.6 billion over 10 years.